

2012 GENERAL FUND BUDGET
TOTAL CITY PROPERTY TAX LEVY WILL DROP IN 2012

At its September meeting, the City Council approved a preliminary levy of \$44,441,371 for 2012, a 0.25 percent decrease from 2011. It also approved a preliminary general operating fund budget of \$56,606,097, a 3.99 percent increase from the 2011 budget of \$54,436,064.

The City uses multi-year modeling, developed in the late 1990s, to track revenue and expenditures to predict upcoming trends for 2012. City staff also uses a five-year planning model that considers both short-term and future needs of the community to recommend a preliminary levy. To continue providing the quality level of City services that meet public demand, the City continues efforts to be cost effective. The preliminary levy can be reduced, but not increased, before final adoption in December. If the final 2012 levy is approved at this preliminary level, the average annual increase in the City's levy from 1993 - 2012 would be 3.3 percent. See graph at right.

For a Bloomington resident with a median value home of \$207,300, the monthly cost of City services is estimated to be \$67.82 for 2012, which is the same amount as 2010 and 2011. See table above.

In the past 12 years, even factoring in decreases, the median home value in Bloomington has increased in value an average of 4.3 percent per year.

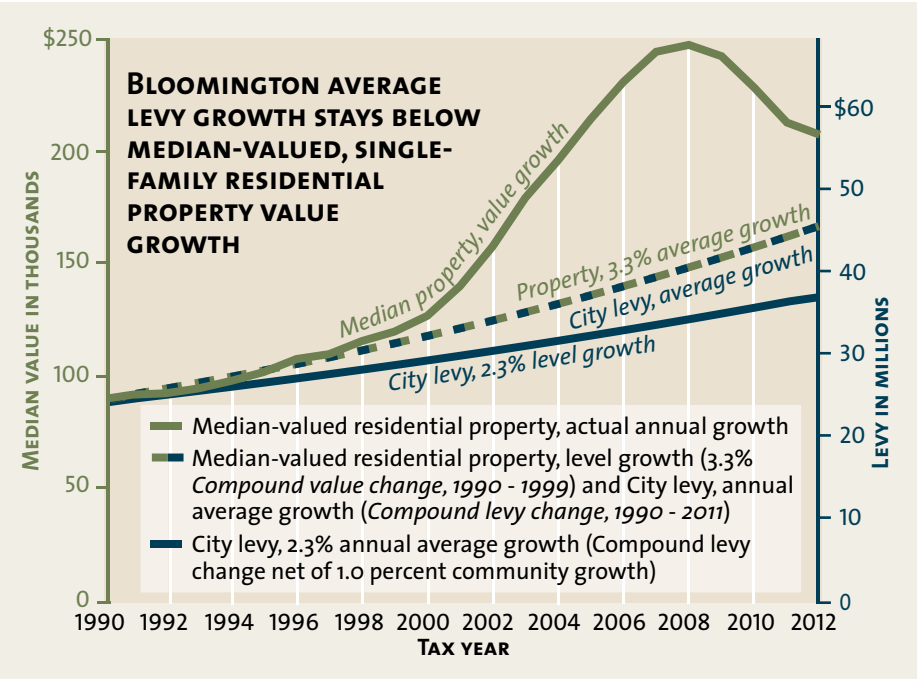
The City developed strategies in the 1990s to deal with normal economic cycle variations that helped make it a more sustainable community as reflected in the recently affirmed AAA bond ratings. (Visit the City's website for more information.) In setting the City's property tax levy for 2012 the City Council anticipated changes from the market value homestead credit program to a homestead exclusion program, and budgeted accordingly.

The old market value homestead credit was predicated on the state paying a portion of the property tax amounts for homeowners with property values less than \$413,800.



SINGLE-FAMILY HOME MONTHLY PROPERTY TAX COST FOR CITY SERVICES			
	2010	2011	2012
Median value home	\$67.82	\$67.82	\$67.82
Average value home	\$78.01	\$79.73	\$78.58

2012 Median value home - \$207,300; 2012 Average value home - \$235,500.



Though credited to those homeowners, Bloomington has actually not received most of these funds from the state for the past nine years. The new market value homestead exclusion actually reduces the taxable value of a home on a sliding scale.

One of Bloomington's strengths has been the diversity of the base on which the property tax-supported City services that are provided to Bloomington's residents and businesses are allocated. Historically, tax capacity in Bloomington has been split approximately in half between residential, including apartment uses, and commercial/ industrial uses. However, the current economic climate has seen greater variability of real estate values than in better economic times.

"The City levies a specific dollar amount needed to maintain certain levels of services," Chief Financial Officer Lori Economy-Scholler said.

"In simple terms, this dollar amount is then portioned to all properties in the community based on value."

Even with total property tax dollar levy decreases, the City's multiyear modeling indicates that property tax levies over the next five years should remain below the long-term home value appreciation plus community growth as Bloomington works for the longer term to be even more sustainable.

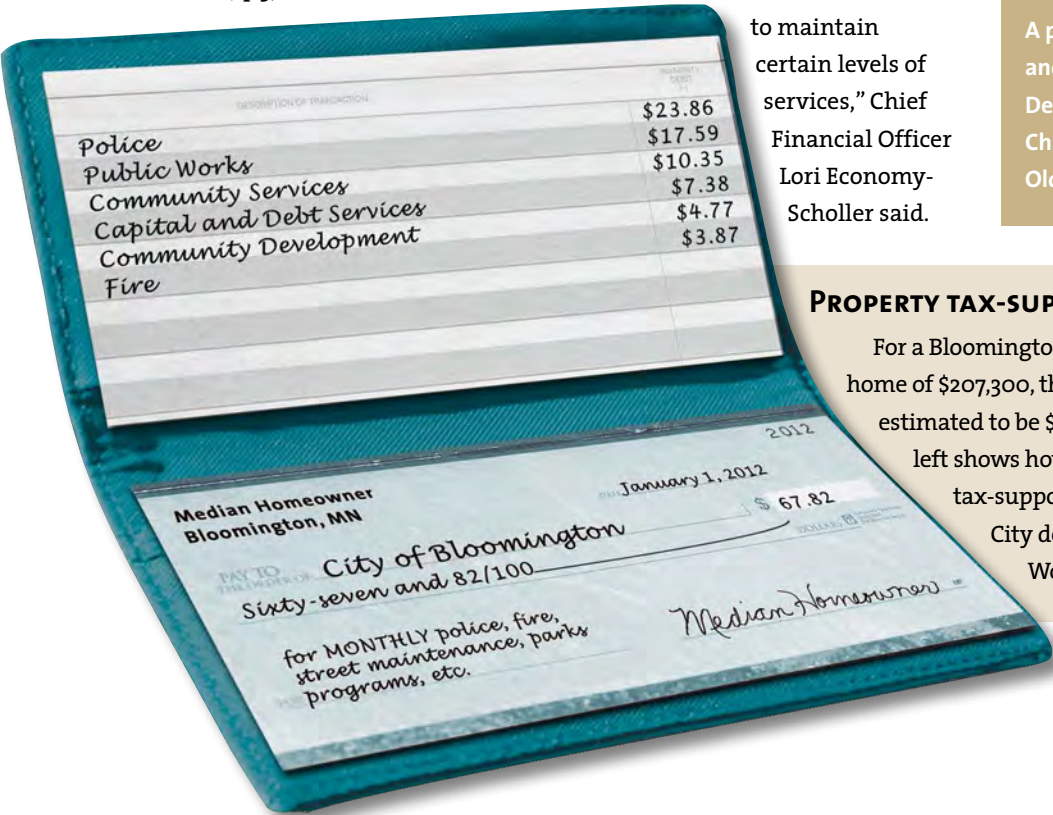
For more information, contact Chief Financial Officer Lori Economy-Scholler at 952-563-8791 or e-mail leconomy@ci.bloomington.mn.us. For property valuation information, contact City Assessor Matt Gersemehl at 952-563-8708 or mgersemehl@ci.bloomington.mn.us.

WEBSITE KEYWORD: FINANCE DEPARTMENT.

A public hearing on the tax levy and budget will be held Monday, December 5, at 7 p.m., in the Council Chambers at Civic Plaza, 1800 West Old Shakopee Road.

PROPERTY TAX-SUPPORTED SERVICES

For a Bloomington resident with a median value home of \$207,300, the monthly cost of City services is estimated to be \$67.82 for 2012. The checkbook at left shows how the monthly cost of property tax-supported services is divided among City departments, such as Police, Public Works, Community Services and Fire.



SERVING YOUR
COMMUNITY
CITY COUNCIL SEEKS ADVISORY
BOARD MEMBERS

The Bloomington City Council is seeking applicants to serve on its advisory boards and commissions for terms beginning in January, 2012. Meetings are held at Civic Plaza, 1800 West Old Shakopee Road.

The following advisory boards and commissions are seeking applicants:

Board of Appeal and Equalization – Hears appeals of property values established by City assessors. Members must have experience as an appraiser, realtor, real estate attorney or property manager.

Human Rights Commission – Advises the City Council on matters regarding human rights and mediates complaints of discrimination.

Merit Board – Oversees the administration of the City's merit system for City employees. Maintains policies for Human Resources.

Planning Commission – Holds public hearings and makes recommendations on land use, development strategies and zoning.

Applications must be received by **Friday, December 16**, for consideration. There will be an interview process after the application process closes.

For more information, visit the City's website or call the City Manager's Office at 952-563-8780.

WEBSITE KEYWORDS: ADVISORY BOARD.



2012 HOME
IMPROVEMENT FAIR
IDEAS, CONTRACTORS AND
ADVICE FOR YOUR PROJECTS

The City of Bloomington will host its 10th Home Improvement Fair, **Saturday, February 25, 9:30 a.m. to 2:30 p.m.**, at Civic Plaza, 1800 West Old Shakopee Road.

Fairgoers will have the opportunity to visit a variety of home improvement exhibits, have questions answered by professionals and get ideas for remodeling projects. There will be activities and entertainment for kids, including booths where children may create their own projects.

Registrations for fair booths will be accepted **through December 15**. Companies and contractors interested in reserving a booth or presenting a seminar should call the number below.

For more information, contact Housing and Redevelopment Authority Program Manager Bryan Hartman at 952-563-8943 or e-mail bhartman@ci.bloomington.mn.us.

WEBSITE KEYWORDS: HOME FAIR.